

FY 2002-03 BUDGET

BUDGET SECTION SUMMARY

Section Title:

SOUTH PARK COUNTY SANITATION DISTRICT

A. Program Description

This budget finances administration of a collection system and pumping stations which serve the South Park area. Raw sewage is transported to the City of Santa Rosa for treatment and disposal. Treatment and disposal are covered by an agreement between the two entities.

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 01-02 Adopted	FY 02-03 Requested	Percent Change	FY 01-02 Adopted	FY 02-03 Requested	Percent Change
Operations	\$2,267,400	\$2,333,500	2.92%	\$112,074	(\$58,490)	(152.19%)
Revenue Bonds	\$2,317,019	\$186,910	0.00%	\$2,059,019	(\$68,660)	0.00%
Construction	1,928,200	3,089,800	60.24%	(221,712)	2,927,870	1420.57%
TOTAL:	\$6,512,619	\$5,610,210	(13.86%)	\$1,949,381	\$2,800,720	43.67%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 00-01 Actual	FY 01-02 Budget Estimate	FY 01-02 Revised Estimate	FY 02-03 Projected	Change from FY 01-02 Orig.Budget Estimate	Change from FY 01-02 Revised Estimate
TOTAL ESDs	3,760	3,887	3,887	4,003	2.98%	2.98%
TOTAL APNs	2,180	2,232	2,232	2,276	1.97%	1.97%

E. Summary of Issues and Significant Changes

The requested rate per ESD for FY 02-03 annual service charges is proposed to increase to \$600, representing an 8.1% increase from the FY 01-02 rate.

The South Park CSD provides service to the South Park area using a gravity collection system and lift station at Todd Road. Wastewater from South Park CSD is treated and disposed of by the City of Santa Rosa at the Laguna Subregional Treatment Plant on Llano Road. In July of 1996, the City of Santa Rosa accepted responsibility for the operation and routine maintenance of the collection system.

An agreement for transfer of responsibility to the City of Santa Rosa of collection system operation and maintenance, and subsequent dissolution of the South Park CSD, was finalized in February of 1996 and most recently amended in June of 2000. Under this agreement the South Park CSD will be dissolved and transferred to the City of Santa Rosa no later than June 30, 2006. The agreement also requires the South Park CSD to replace, slip-line, or repair 41,610 feet of the collection system and upgrade the Todd Road lift station before transfer of the South Park CSD to the City of Santa Rosa.

South Park CSD is presently replacing or planning to replace six sections of the collection system between FY 01-02 and FY 05-06. Projects identified include: Moorland Avenue Phase II, Kenmore Lane, Corby

FY 01-02 and FY 05-06. Projects identified include: Moorland Avenue Phase II, Kenmore Lane, Corby Avenue and Victoria Drive, East Robles and Santa Rosa Avenue (on East Robles from Highway 101 to Brooks Avenue), Santa Rosa Avenue (south of East Robles near Todd Road), and Santa Barbara Drive. The collection system projects identified above, along with previously completed (i.e. Todd Road Lift Stations) projects or projects currently underway, will fulfill South Park CSD's responsibilities as required in the dissolution agreement with the City of Santa Rosa. The South Park CSD issued \$3.1 million in revenue bonds in FY 00-01 to enable it to meet its capital replacement obligations along with the HVOC remediation costs explained below. In FY 02-03, a \$200,000 Community Development Block Grant will be received toward the Kenmore Lane Project

On December 22, 1998 the NCRWQCB released a draft Cleanup and Abatement Order (CAO) for halogenated volatile organic compounds (HVOCs) found in soil and groundwater in the vicinity of Sebastopol Road and West Avenue in the South Park CSD service area. The draft CAO specified that HVOCs found in the soil and groundwater are the result of a release from the South Park CSD collection system. Potential costs for investigation, remediation, and legal work related to the draft CAO are substantial (\$2-10 million). In FY 99-00, South Park CSD received a \$500,000 loan from the County of Sonoma General Fund to assist in the first phase of the Plan of Action for HVOC Investigation and Mitigation. The South Park CSD, County of Sonoma, and the NCRWQCB continue to work cooperatively to deal with this issue.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2002-03 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SOUTH PARK CSD - OPERATIONS
Section/Index No: 654103

Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
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REVENUES:

TAXES

1001 Flat Charges - CY	\$2,013,984	\$2,273,472	\$259,488	12.88%
1061 Flat Charges - PY	50,000	50,000	0	0.00%
1120 Penalties / Costs on Taxes	10,000	10,000	0	0.00%

Subtotal Taxes	\$2,073,984	\$2,333,472	\$259,488	12.51%
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USE OF MONEY

1700 Interest on Pooled Cash	\$45,000	\$22,500	(\$22,500)	(50.00%)
1701 Interest Earned	1,367	1,043	(324)	(23.70%)

Subtotal Use of Money	\$46,367	\$23,543	(\$22,824)	(49.22%)
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CHARGES FOR SERVICES

3400 Sanitation Services	\$24,975	\$24,975	\$0	0.00%
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Subtotal Charges for Services	\$24,975	\$24,975	\$0	0.00%
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MISCELLANEOUS REVENUE

4115 Santa Rosa Rebate	\$10,000	\$10,000	\$0	0.00%
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Subtotal Miscellaneous Revenue	\$10,000	\$10,000	\$0	0.00%
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ADMINISTRATIVE CONTROL ACCOUNT

4200 ENT - LTD Proceeds	\$0	\$0	\$0	N/A
4209 ENT - LTD Proceeds - Clearing	0	0	0	N/A
4210 Advances	4,634	4,958	324	6.99%
4219 Advances - Clearing	(4,634)	(4,958)	(324)	6.99%

Subtotal Administrative Control	\$0	\$0	\$0	N/A
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TOTAL REVENUES	\$2,155,326	\$2,391,990	\$236,664	10.98%
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EXPENDITURES:

SERVICES AND SUPPLIES

6040 Communications	\$100	\$0	(\$100)	(100.00%)
6522 District Services	50,000	50,000	0	0.00%
6540 Contract Services	270,000	280,000	10,000	3.70%
6570 Consultant Services	208,000	100,000	(108,000)	(51.92%)
6573 Administration Costs	18,700	19,000	300	1.60%
6610 Legal Services	20,000	20,000	0	0.00%
6630 Audit / Accounting Services	8,100	3,000	(5,100)	(62.96%)
7000 Special Departmental Expense	137,000	125,000	(12,000)	(8.76%)
7320 Utilities	2,500	2,500	0	0.00%

Subtotal Services and Supplies	\$714,400	\$599,500	(\$114,900)	(16.08%)
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Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
<u>OTHER CHARGES</u>				
7961 Sewer Capacity Rights	\$1,150,000	\$1,150,000	\$0	0.00%
7980 Depreciation	95,000	84,000	(11,000)	(11.58%)
<i>Subtotal Other Charges</i>	\$1,245,000	\$1,234,000	(\$11,000)	(0.88%)
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$258,000	\$350,000	\$92,000	35.66%
<i>Subtotal Other Financing Uses</i>	\$258,000	\$350,000	\$92,000	35.66%
<u>APPROPRIATIONS FOR CONT</u>				
9000 Approp for Contingencies	\$50,000	\$150,000	\$100,000	200.00%
<i>Subtotal Approp for Contingencies</i>	\$50,000	\$150,000	\$100,000	200.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9210 Advances	\$100,000	\$100,000	\$0	0.00%
9219 Advances - Clearing	(100,000)	(100,000)	0	0.00%
<i>Subtotal Administrative Control</i>	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$2,267,400	\$2,333,500	\$66,100	2.92%
TOTAL NET COST				
<i>(Expenditures Minus Revenues)</i>	\$112,074	(\$58,490)	(\$170,564)	(152.19%)

CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - Operations

Character Title: Taxes

Character No.: 654103-10

1001 Flat Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 01-02 budget. The rate will increase 8.1%, from \$555 to \$600; in addition, the number of ESDs charged on the tax roll is expected to increase from 3,780 budgeted in FY 01-02 to 3,947 for FY 02-03.

ESDs times annual rate:	3,947 x \$600	\$2,368,200
Less Estimated Delinquency Factor:	4%	<u>(94,728)</u>
		\$2,273,472

1061 Flat Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

1120 Penalties/Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money

Character No.: 654103-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$500,000
Projected Interest Rate	<u>4.50%</u>
Projected/Planned Interest on Pooled Cash	\$22,500

1701 Interest Earned

This account records interest earned on a loan to Occidental CSD for cash flow purposes. Interest payments on the Occidental CSD loan will continue through FY 04-05.

Character Title: Charges for Services

Character No.: 654103-30

3400 Sanitation Services

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

Based on projected FY 02-03 ESDs, the District will experience an increase in revenue from invoiced entities. The revenue projected for FY 02-03 reflects invoiced ESDs at 56, and an increase in the annual sewer service charge from \$555 to \$600.

ESDs x Annual Charge 56 x \$600 = \$33,600

Character Title: Miscellaneous Revenue

Character No.: 654103-40

4115 Santa Rosa Rebate

This account records the annual rebate received from the City of Santa Rosa in accordance with the City of Santa Rosa's Subregional Agreement. The rebate amount is the adjustment between projected and actual costs for operation and maintenance of the Subregional Wastewater System.

Character Title: Administrative Control Account

Character No.: 654103-42

4210 Advances

This account records the principal payment received from the Occidental CSD for an outstanding loan. Payments began on June 30, 1985 and will continue through June 30, 2005.

4219 Advances - Clearing

This is the clearing account for sub-object 4210, Advances.

Character Title: Services and Supplies

Character No.: 654103-60

6040 Communications

There are no planned communication expenditures for FY 02-03.

6522 District Services

This account is used primarily to record staff time associated with maintaining the sanitation master user listing for the District, as well as management and administrative time associated with negotiating and administering agreements with the City.

6540 Contract Services

This account records the cost of collection system maintenance paid to the City of Santa Rosa.

6570 Consultant Services

This account will record the cost of required consultant services related to the HVOC issue.

6573 Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

6610 Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required.

6630 Audit / Accounting Services

This item represents an estimate from the Auditor's Office for the FY 02-03 expense for the audit of the previous fiscal year (\$3,000 as set forth in the Budget Instructions). In addition, this item records the direct allocation of Auditor-Controller Fiscal Services staff costs for time expected to be spent on District accounting.

7000 Special Departmental Expense

This account will record expenses incurred as a result of the HVOC issue. Per agreement, annual payments to the North Coast Regional Water Quality Control Board in the amount of \$125,000 began in FY 99-00 and will continue until FY 03-04.

7320 Utilities

This account records the cost of certain utility bills that the District is still obligated to pay.

7961 Sewer Capacity Rights

South Park CSD participates with the cities of Santa Rosa, Rohnert Park, Cotati and Sebastopol in the Santa Rosa Subregional Sewage System. Santa Rosa provides the treatment for raw sewage for the other participating entities. This payment, required by agreement, is South Park's share (based on capacity needs) of the cost of operations and improvements to the subregional facilities and the bonds used to finance them. Prior to the annexation of the Roseland area of South Park by the City of Santa Rosa, the South Park CSD's sewer capacity charge was based on a capacity in the Subregional Wastewater Treatment Plant of 700,000 gallons per day.

7980 Depreciation

Generally Accepted Accounting Principles require that depreciation be expensed each year.

Character Title: Other Financing Uses

Character No.: 654103-86

8625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the 2000 Revenue Bond Fund necessary to satisfy the annual debt service payment on the bonds. The amount to be transferred is determined from the debt service schedule for the bonds.

Character Title: Appropriations for Contingencies

Character No.: 654103-90

9000 Appropriations for Contingencies

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character Title: Administrative Control Account

Character No.: 652107-92

9210 Advances

This account reflects increment payments to the County General Fund on a long term, interest free loan received for the HVOC clean up. Annually, the District is required to repay \$100,000 on this outstanding loan. The loan balance on July 1, 2001 was \$500,000. Subtracting the annual payment of \$100,000, the outstanding loan balance on July 1, 2002 will be \$400,000.

9219 Advances - Clearing

This is the clearing account for sub-object 9210, Advances.

FY 2002-03 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: South Park CSD - Operations

Index No.: 654103

DESCRIPTION OF FUND ACTIVITY	Actual FY 00-01	Estimated FY 01-02	Requested FY 02-03
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings Available for Budgeting (See Detailed Components Below)	\$ 465,881	\$ 544,610	\$ 470,862
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	2,081,334	2,110,972	2,391,990
Expenditures - (Decrease) retained earnings	(1,997,230)	(2,574,622)	(2,333,500)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	84,104	(463,650)	58,490
Adjustments to Reserves/Encumbrances:			
4200 ENT - LTD Proceeds	-	-	-
4210 Advances (Occidental/County Loan)	4,331	4,634	4,958
7980 Depreciation	83,046	83,077	84,000
9210 HVOC Loan Payment	-	(100,000)	(100,000)
Increase in Due to Other Funds	(100,000)	-	-
Change in Encumbrances	7,247	-	-
Prior Year Encumbrance	-	402,191	-
Net Adjustment - Increase/(Decrease) to Fund Balance	(5,376)	389,902	(11,042)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings Available for Budgeting	\$ 544,610	\$ 470,862	\$ 518,310
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	78,729	(73,748)	47,448
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/00</u>	<u>7/1/01</u>	
Cash	\$ 1,094,875	\$ 1,092,773	
Other Receivables	58,681	64,607	
Due to Other Funds	(100,000)	(100,000)	
Accounts Payable	(178,237)	(110,579)	
Encumbrances	(409,438)	(402,191)	
Total Beginning Retained Earnings	\$ 465,881	\$ 544,610	

FY 2002-03 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SOUTH PARK CSD - 2000 REVENUE BONDS
 Section/Index No: 654202

Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1701 Interest Earned	\$0	\$0	\$0	N/A
Subtotal Use of Money	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
4625 OT - W/in Special Dist - BOS	\$258,000	\$255,570	(\$2,430)	(0.94%)
Subtotal Other Financing Sources	\$258,000	\$255,570	(\$2,430)	(0.94%)
TOTAL REVENUES	\$258,000	\$255,570	(\$2,430)	(0.94%)
EXPENSES				
<u>SERVICES & SUPPLIES</u>				
6635 Fiscal Agent Fees	\$500	\$500	\$0	0.00%
6640 Debt Issuance Cost	5,107	4,950	(157)	(3.07%)
Subtotal Services & Supplies	\$5,607	\$5,450	(\$157)	(2.80%)
<u>OTHER CHARGES</u>				
7920 Interest	\$183,000	\$180,570	(\$2,430)	(1.33%)
7923 Discount / Bonds	1,000.00	890	(110)	(11.00%)
Subtotal Fixed Assets	\$184,000	\$181,460	(\$2,540)	(1.38%)
<u>OTHER FINANCING USES</u>				
8625 OT-Within SP Dists-BOS	\$2,127,412	\$0	(\$2,127,412)	(100.00%)
Subtotal Other Financing Uses	\$2,127,412	\$0	(\$2,127,412)	(100.00%)
<u>ADMIN CONTROL</u>				
9200 ENT - Principal	\$75,000	\$75,000	\$0	0.00%
9209 ENT - Principal Clearing	(75,000)	(75,000)	0	0.00%
Subtotal Admin Control	\$0	\$0	\$0	N/A
TOTAL EXPENSES	\$2,317,019	\$186,910	(\$2,130,109)	(91.93%)
TOTAL NET COST (Expenses Minus Revenues)	\$2,059,019	(\$68,660)	(\$2,127,679)	(103.33%)

FY 2002-03 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - 2000 Revenue Bonds

Character Title: Other Financing Sources **Character No.:** 654202-46

4625 OT - Within Sp District

This account will record the operating transfer from the Operations Fund necessary to meet the annual debt service requirements for the bonds.

Character Title: Services and Supplies **Character No.:** 654202-60

6635 Fiscal Agent Fees

This account records the annual administrative fees from the trustee for the 2000 Revenue Bonds.

6640 Debt Issuance Costs

This account records the amortized costs associated with the issuance of the 2000 Revenue Bonds. This is an annual expense that will be recorded throughout the life of the bonds. Although this is a non-cash transaction, appropriations are necessary to record the expense.

Character Title: Other Charges **Character No.:** 654202-75

7920 Interest

This account reflects the interest expense of the 2000 Revenue Bonds per the amortization schedule prepared upon the issuance of the revenue bonds.

7923 Discount/Bonds

This account records the discount realized upon the issuance of the bonds. This will be an annual expense throughout the life of the bonds. Although this is a non-cash transaction, appropriations are required to record the expense.

Character Title: Other Financing Uses **Character No.:** 654202-86

8625 OT - Within Sp Dist

For FY 02-03 there will be no transfer of funds to the Construction Fund to finance the capital replacement program.

Character Title: Administrative Control Account **Character No.:** 654202-92

9200 Ent - Principal

This account reflects the principal payment for the 2000 Revenue Bonds issued in early FY 00-01 to finance the capital replacement program. Payments begin this fiscal year and will continue through FY 26-27.

9200 Ent - Principal

This is the clearing account for sub-object 9200, Ent - Principal.

FY 2002-03 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: South Park CSD - 2000 Revenue Bonds
Index No.: 654301

DESCRIPTION OF FUND ACTIVITY	Actual FY 00-01	Estimated FY 01-02	Requested FY 02-03
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$ -	\$ 2,148,150	\$ 21,134
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	171,939	258,396	255,570
Expenditures - (Decrease) retained earnings	(1,127,279)	(2,316,519)	(186,910)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(955,340)	(2,058,123)	68,660
Adjustments to Reserves/Encumbrances:			
4200 ENT - LTD Proceeds	3,565,000	-	-
Discount on Issuance of Bonds	(23,936)	-	-
Debt Issuance Costs	(137,878)	-	-
Increase in Matured Bonds Payable	(75,000)	-	-
Amortization of Debt Issuance Costs	5,107	5,107	4,950
Amortization of Bond Discount	887	1,000	890
9200 - Ent Principal	-	(75,000)	(75,000)
Reserve held by Trustee	(230,690)	-	-
Net Adjustment - Inc/(Dec) to Retained Earnings	3,103,490	(68,893)	(69,160)
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$ 2,148,150	\$ 21,134	\$ 20,634
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	2,148,150	(2,127,016)	(500)
<u>Retained Earnings Components at Beginning of FY</u>	7/1/00	7/1/01	
Cash	\$0	\$8,057	
Cash with Trustee	0	2,492,060	
Cash Restricted fpr Debt Services	0	(230,690)	
Interest Payable	0	(46,277)	
Matured Bonds Payable	0	(75,000)	
Total Beginning Retained Earnings	\$0	\$2,148,150	

FY 2002-03 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SOUTH PARK CSD - CONSTRUCTION
Section/Index No: 654301

Sub-Object No. and Title	Adopted 2001-02	Requested 2002-03	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$22,500	\$67,500	\$45,000	200.00%
Subtotal Use of Money	\$22,500	\$67,500	\$45,000	200.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
4200 ENT - LTD Proceeds	\$200,000	\$0	(\$200,000)	(100.00%)
4209 ENT - LTD Proceeds - Clearing	(200,000)	0	200,000	(100.00%)
4220 Contributed Capital	0	200,000	200,000	N/A
4229 Contributed Capital - Clearing	0	(200,000)	(200,000)	N/A
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
<u>OTHER FINANCING SOURCES</u>				
4625 OT - W/in Special Dist - BOS	\$2,127,412	\$94,430	(\$2,032,982)	(95.56%)
Subtotal Other Financing Sources	\$2,127,412	\$94,430	(\$2,032,982)	(95.56%)
TOTAL REVENUES	\$2,149,912	\$161,930	(\$1,987,982)	(92.47%)
EXPENDITURES:				
<u>OTHER CHARGES</u>				
8010 Contribution Non-Co Govt	\$0	\$0	\$0	N/A
Subtotal Other Charges	\$0	\$0	\$0	N/A
<u>FIXED ASSETS</u>				
8510 Building / Improvement	\$0	\$0	\$0	N/A
9142 Capital Replacement Program	1,928,200	3,089,800	1,161,600	60.24%
Subtotal Fixed Assets	\$1,928,200	\$3,089,800	\$1,161,600	60.24%
TOTAL EXPENDITURES	\$1,928,200	\$3,089,800	\$1,161,600	60.24%
TOTAL NET COST (Expenditures Minus Revenues)	(\$221,712)	\$2,927,870	\$3,149,582	1420.57%

FY 2002-03 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: South Park CSD - Construction

Character Title: Use of Money

Character No.: 654301-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the District by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	1,500,000
Projected Interest Rate	<u>4.50%</u>
Projected/Planned Interest on Pooled Cash	67,500

The fund balance remaining in the Construction Fund is expected to be reduced as a result of work required to be completed prior to dissolution of the District.

Character Title: Administrative Control Account

Character No.: 654301-42

4220 Contributed Capital

This account records the receipt of the Community Development Block Grant.

4229 Contributed Capital - Clearing

This is the clearing account for sub-object 4220.

Character Title: Other Financing Sources

Character No.: 654301-46

4625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the Revenue Bond Fund to the Construction Fund to finance the capital replacement program.

Character Title: Fixed Assets

Character No.: 654301-85

8510 Buildings / Improvements

No further projects are planned for this District prior to the scheduled dissolution.

9142 Capital Replacement Program

Collection system replacement projects are planned for the following areas in FY 02-03:

	PCAS No.	Amount
Corby Ave/Victoria Dr	3629	\$941,800
Kenmore Lane	3628	1,294,000
Moorland Ave.	3582	<u>854,000</u>
	Total	<u>\$3,089,800</u>

FY 2002-03 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation
Section: South Park CSD - Construction
Index No.: 654301

DESCRIPTION OF FUND ACTIVITY	Actual FY 00-01	Estimated FY 01-02	Requested FY 02-03
Undesignated/Unreserved <u>BEGINNING</u> Retained Earnings			
Available for Budgeting (See Detailed Components Below)	\$ 1,601,359	\$ 1,965,677	\$ 3,572,056
Annual Revenues and Expenditures:			
Revenues - Increase retained earnings	1,082,502	2,227,412	161,930
Expenditures - (Decrease) retained earnings	(1,670,223)	(702,000)	(3,089,800)
Net Surplus or Deficit - Inc/(Dec) to retained earnings	(587,721)	1,525,412	(2,927,870)
Adjustments to Reserves/Encumbrances:			
4220 Contributed Capital	134,658	-	-
4220 Contributed Capital -CDC Grant	-	-	200,000
Change in Encumbrance	871,278	-	-
Capitalized Interest	(53,898)	-	-
Prior Year Encumbrance	-	80,967	-
Net Adjustment - Inc/(Dec) to Retained Earnings	952,038	80,967	200,000
Undesignated/Unreserved <u>ENDING</u> Retained Earnings			
Available for Budgeting	\$ 1,965,677	\$ 3,572,056	\$ 844,186
Total Increase/(Decrease) in Retained Earnings for Fiscal Year (Difference between Beginning and Ending Balance)	364,318	1,606,379	(2,727,870)
<u>Retained Earnings Components at Beginning of FY</u>	<u>7/1/00</u>	<u>7/1/01</u>	
Cash	\$ 2,512,926	\$ 2,336,697	
Receivables	40,678	0	
Accounts Payable	0	(290,053)	
Encumbrances (P.O. and Contract)	(952,245)	(80,967)	
Total Beginning Retained Earnings	\$ 1,601,359	\$ 1,965,677	